

**SERIAL 05146 RFP EMPLOYEE BENEFITS CONSULTING SERVICES (NIGP 96150)**  
**Buck Consultants Contract**

**DATE OF LAST REVISION: March 29, 2007**

**CONTRACT END DATE: December 31, 2009**

**CONTRACT PERIOD THROUGH DECEMBER 31, 2009**

TO: All Departments

FROM: Department of Materials Management

SUBJECT: Contract for **EMPLOYEE BENEFITS CONSULTING SERVICES (NIGP 96150)**

Attached to this letter is published an effective purchasing contract for products and/or services to be supplied to Maricopa County activities as awarded by Maricopa County on **October 04, 2006 Eff. 01/01/2007**.

All purchases of products and/or services listed on the attached pages of this letter are to be obtained from the vendor holding the contract. Individuals are responsible to the vendor for purchases made outside of contracts. The contract period is indicated above.

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Wes Baysinger, Director  
Materials Management

SD/mm  
Attach

Copy to: Clerk of the Board  
Mike Schaiberger, Employee Health Initiatives  
Materials Management

(Please remove Serial 00208-RFP from your contract notebooks)



## CONTRACT PURSUANT TO RFP

SERIAL 05146-RFP

This Contract is entered into this 4<sup>th</sup> day of October, 2006 by and between Maricopa County ("County"), a political subdivision of the State of Arizona, and Buck Consultants LLC, a Delaware corporation ("Contractor") for the purchase of consulting services.

### 1.0 TERM

- 1.1 This Contract is for a term of THREE (3) years, beginning on the 1ST day of JANUARY, 2007 and ending the 31ST day of DECEMBER, 2009.
- 1.2 The County may, at its option and with the agreement of the Contractor, extend the period of this Contract for additional terms up to a maximum of THREE (3) years, (or at the County's sole discretion, extend the contract on a month to month bases for a maximum of six (6) months after expiration). The County shall notify the Contractor in writing of its intent to extend the Contract period at least thirty (30) calendar days prior to the expiration of the original contract period, or any additional term thereafter.

### 2.0 PAYMENT

- 2.1 As consideration for performance of the duties described herein, County shall pay Contractor the sum(s) stated in Exhibit "A."
- 2.2 Payment shall be made upon the County's receipt of a properly completed invoice. Invoices shall contain the following information: Contract number, purchase order number, item numbers, description of supplies and/or services, sizes, quantities, unit prices, extended totals and any applicable sales/use tax.

### 2.3 INVOICES AND PAYMENTS:

- 2.3.1 **The Contractor shall submit two (2) legible copies of their detailed invoice before payment(s) can be made. At a minimum, the invoice must provide the following information:**

- 2.3.1.1 Company name, address and contact
- 2.3.1.2 County bill-to name and contact information
- 2.3.1.3 Contract Serial Number
- 2.3.1.4 County purchase order number
- 2.3.1.5 Invoice number and date
- 2.3.1.6 Payment terms
- 2.3.1.7 Date of service
- 2.3.1.8 Description of Services
- 2.3.1.9 Pricing per Service
- 2.3.1.10 Extended price
- 2.3.1.11 Total Amount Due

**Problems regarding billing or invoicing shall be directed to the using agency as listed on the Purchase Order.**

2.3.2 Payment will be made to the Contractor by Accounts Payable through the Maricopa County Vendor Express Payment Program. This is an Electronic Funds Transfer (EFT) process. After Award the Contractor shall fill out an EFT Enrollment form (to be provided by the Procurement Officer) or as located on the County Department of Finance Website as a fillable PDF document ([www.maricopa.gov/finance/](http://www.maricopa.gov/finance/)).

2.3.3 EFT payments to the routing and account numbers designated by the Contractor will include the details on the specific invoices that the payment covers. The Contractor is required to discuss remittance delivery capabilities with their designated financial institution for access to those details.

### 3.0 DUTIES

3.1 The Contractor shall perform all duties stated in Exhibit "B."

3.2 The Contractor shall perform services as otherwise directed in writing.

3.3 During the Contract term, County shall provide Contractor's personnel with adequate workspace for consultants and such other related facilities as may be required by Contractor to carry out its contractual obligations.

### 4.0 TERMS & CONDITIONS

#### 4.1 INDEMNIFICATION:

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless County, its agents, representatives, officers, directors, officials, and employees from and against all claims, damages, losses and expenses, including, but not limited to, attorney fees, court costs, expert witness fees, and the cost of appellate proceedings, relating to, arising out of, or alleged to have resulted from the negligent acts, errors, omissions or mistakes relating to the performance of this Contract. Contractor's duty to defend, indemnify and hold harmless County, its agents, representatives, officers, directors, officials, and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property, including loss of use resulting there from, caused by any negligent acts, errors, omissions or mistakes in the performance of this Contract including any person for whose acts, errors, omissions or mistakes Contractor may be legally liable.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

The scope of this indemnification does not extend to the sole negligence of County.

#### 4.2 INSURANCE REQUIREMENTS:

Contractor, at Contractor's own expense, shall purchase and maintain the herein stipulated minimum insurance from a company or companies duly licensed by the State of Arizona and possessing a current A.M. Best, Inc. rating of B++6. In lieu of State of Arizona licensing, the stipulated insurance may be purchased from a company or companies, which are authorized to do business in the State of Arizona, provided that said insurance companies meet the approval of County. The form of any insurance policies and forms must be acceptable to County.

All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily completed and formally

accepted. Failure to do so may, at the sole discretion of County, constitute a material breach of this Contract.

Contractor's insurance shall be primary insurance as respects County, and any insurance or self-insurance maintained by County shall not contribute to it.

Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect the County's right to coverage afforded under the insurance policies.

The insurance policies may provide coverage that contains deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to County under such policies. Contractor shall be solely responsible for the deductible and/or self-insured retention and County, at its option, may require Contractor to secure payment of such deductibles or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit.

County reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance policies and/or endorsements. County shall not be obligated, however, to review such policies and/or endorsements or to advise Contractor of any deficiencies in such policies and endorsements, and such receipt shall not relieve Contractor from, or be deemed a waiver of County's right to insist on strict fulfillment of Contractor's obligations under this Contract.

The insurance policies required by this Contract, except Workers' Compensation, and Errors and Omissions, shall name County, its agents, representatives, officers, directors, officials and employees as Additional Insureds.

The policies required hereunder, except Workers' Compensation, and Errors and Omissions, shall contain a waiver of transfer of rights of recovery (subrogation) against County, its agents, representatives, officers, directors, officials and employees for any claims arising out of Contractor's work or service.

Contractor is required to procure and maintain the following coverages indicated by a checkmark:

4.2.1 Commercial General Liability.

Commercial General Liability insurance and, if necessary, Commercial Umbrella insurance with a limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products/Completed Operations Aggregate, and \$2,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage, and shall not contain any provision which would serve to limit third party action over claims. There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability arising from explosion, collapse, or underground property damage.

4.2.2 Automobile Liability.

Commercial/Business Automobile Liability insurance and, if necessary, Commercial Umbrella insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence with respect to any of the Contractor's owned, hired, and non-owned vehicles assigned to or used in performance of the Contractor's work or services under this Contract.

4.2.3 Certificates of Insurance.

4.2.3.1 Prior to commencing work or services under this Contract, Contractor shall have insurance in effect as required by the Contract in the form provided by the County, issued by Contractor's insurer(s), as evidence that policies providing the

required coverage, conditions and limits required by this Contract are in full force and effect. Such certificates shall be made available to the County upon 48 hours notice. **BY SIGNING THE AGREEMENT PAGE THE CONTRACTOR AGREES TO THIS REQUIREMENT AND UNDERSTANDS THAT FAILURE TO MEET THIS REQUIREMENT WILL RESULT IN CANCELLATION OF THIS CONTRACT.**

In the event any insurance policy (ies) required by this Contract is (are) written on a "claims made" basis, coverage shall extend for two (2) years past completion and acceptance of Contractor's work or services and as evidenced by annual Certificates of Insurance.

If a policy does expire during the life of the Contract, a renewal certificate must be sent to County fifteen (15) days prior to the expiration date.

4.2.3.2 Cancellation and Expiration Notice.

Insurance required herein shall not be permitted to expire, be canceled, or materially changed without thirty (30) days prior written notice to the County.

4.5 NOTICES:

All notices given pursuant to the terms of this Contract shall be addressed to:

For County:

Maricopa County  
Department of Materials Management  
Attn: Director of Purchasing  
320 West Lincoln Street  
Phoenix, Arizona

For Contractor:  
Buck Consultants LLC  
2929 North Central Avenue, Suite 1250  
Phoenix, AZ. 85012

4.6 REQUIREMENTS CONTRACT:

4.6.1 County reserves the right to cancel purchase orders or notice to proceed within a reasonable period of time after issuance. Should a purchase order or notice to proceed be canceled, the County agrees to reimburse the Contractor for actual and documented costs incurred by the Contractor. The County will not reimburse the Contractor for any avoidable costs incurred after receipt of cancellation, or for lost profits, or shipment of product or performance of services prior to issuance of a purchase order or notice to proceed.

4.6.2 Contractor agrees to accept oral cancellation of purchase orders.

4.7 PRICE ADJUSTMENTS:

Any requests for reasonable price adjustments must be submitted sixty (60) days prior to the Contract expiration date. Requests for adjustment in cost of labor and/or materials must be supported by appropriate documentation. If County agrees to the adjusted price terms, County shall issue written approval of the change. The reasonableness of the request will be determined by comparing the request with the (Consumer Price Index) or by performing a market survey.

**4.8 TERMINATION FOR CONVENIENCE:**

The County reserves the right to terminate the Contract, in whole or in part at any time, when in the best interests of the County without penalty or recourse. Upon receipt of the written notice, the Contractor shall immediately stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the County. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the County upon demand. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination.

**4.9 TERMINATION FOR DEFAULT:**

4.9.1 In addition to the rights reserved in the Contract, the County may terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.

4.9.2 Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the County on demand.

4.9.3 The County may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract. The Contractor shall be liable to the County for any excess costs incurred by the County in procuring materials or services in substitution for those due from the Contractor.

4.9.4 The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

**4.10 STATUTORY RIGHT OF CANCELLATION FOR CONFLICT OF INTEREST:**

Notice is given that pursuant to A.R.S. §38-511 the County may cancel this Contract without penalty or further obligation within three years after execution of the contract, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County is at any time while the Contract or any extension of the Contract is in effect, an employee or agent of any other party to the Contract in any capacity or consultant to any other party of the Contract with respect to the subject matter of the Contract. Additionally, pursuant to A.R.S §38-511 the County may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County from any other party to the contract arising as the result of the Contract.

**4.11 OFFSET FOR DAMAGES;**

In addition to all other remedies at law or equity, the County may offset from any money due to the Contractor any amounts Contractor owes to the County for damages resulting from breach or deficiencies in performance under this contract.

**4.12 ADDITIONS/DELETIONS OF SERVICE:**

The County reserves the right to add and/or delete products and/or services provided under this Contract. If a requirement is deleted, payment to the Contractor will be reduced proportionately to the amount of service reduced in accordance with the proposal price. If additional services and/or products are required from this Contract, prices for such additions will be negotiated between the Contractor and the County.

**4.13 SUBCONTRACTING:**

The Contractor may not assign this Contract or subcontract to another party for performance of the terms and conditions hereof without the written consent of the County, which shall not be unreasonably withheld. All correspondence authorizing subcontracting must reference the Proposal Serial Number and identify the job project.

**4.14 AMENDMENTS:**

All amendments to this Contract must be in writing and signed by both parties.

**4.15 RETENTION OF RECORDS:**

The Contractor agrees to retain all financial books, records, and other documents relevant to this Contract for five (5) years after final payment or until after the resolution of any audit questions which could be more than five (5) years, whichever is longer. The County, Federal or State auditors and any other persons duly authorized by the Department shall have full access to, and the right to examine, copy and make use of, any and all said materials.

If the Contractor's books, records and other documents relevant to this Contract are not sufficient to support and document that requested services were provided, the Contractor shall reimburse Maricopa County for the services not so adequately supported and documented.

**4.16 AUDIT DISALLOWANCES:**

If at any time, County determines that a cost for which payment has been made is a disallowed cost, such as overpayment, County shall notify the Contractor in writing of the disallowance. County shall also state the means of correction, which may be but shall not be limited to adjustment of any future claim submitted by the Contractor by the amount of the disallowance, or to require repayment of the disallowed amount by the Contractor.

**4.17 ALTERNATIVE DISPUTE RESOLUTION:**

4.17.1 After the exhaustion of the administrative remedies provided in the Maricopa County Procurement Code, any contract dispute in this matter is subject to compulsory arbitration. Provided the parties participate in the arbitration in good faith, such arbitration is not binding and the parties are entitled to pursue the matter in state or federal court sitting in Maricopa County for a de novo determination on the law and facts. If the parties cannot agree on an arbitrator, each party will designate an arbitrator and those two arbitrators will agree on a third arbitrator. The three arbitrators will then serve as a panel to consider the arbitration. The parties will be equally responsible for the compensation for the arbitrator(s). The hearing, evidence, and procedure will be in accordance with Rule 74 of the Arizona Rules of Civil Procedure. Within ten (10) days of the completion of the hearing the arbitrator(s) shall:

4.17.1.1 Render a decision;

4.17.1.2 Notify the parties that the exhibits are available for retrieval; and

4.17.1.3 Notify the parties of the decision in writing (a letter to the parties or their counsel shall suffice).

4.17.2 Within ten (10) days of the notice of decision, either party may submit to the arbitrator(s) a proposed form of award or other final disposition, including any form of award for attorneys' fees and costs. Within five (5) days of receipt of the foregoing, the opposing party may file objections. Within ten (10) days of receipt of any objections, the arbitrator(s) shall pass upon the objections and prepare a signed award or other final disposition and mail copies to all parties or their counsel.

4.17.3 Any party which has appeared and participated in good faith in the arbitration proceedings may appeal from the award or other final disposition by filing an action in the state or federal court sitting in Maricopa County within twenty (20) days after date of the award or other final disposition. Unless such action is dismissed for failure to prosecute, such action will make the award or other final disposition of the arbitrator(s) a nullity.

**4.18 SEVERABILITY:**

The invalidity, in whole or in part, of any provision of this Contract shall not void or affect the validity of any other provision of this Contract.

**4.19 RIGHTS IN DATA:**

The County shall own have the use of all data and reports resulting from this Contract without additional cost or other restriction except as provided by law. Each party shall supply to the other party, upon request, any available information that is relevant to this Contract and to the performance hereunder.

**4.20 INTEGRATION:**

This Contract represents the entire and integrated agreement between the parties and supersedes all prior negotiations, proposals, communications, understandings, representations, or agreements, whether oral or written, express or implied.

**4.21 GOVERNING LAW:**

This Contract shall be governed by the laws of the state of Arizona. Venue for any actions or lawsuits involving this Contract will be in Maricopa County Superior Court or in the United States District Court for the District of Arizona, sitting in Phoenix, Arizona



IN WITNESS WHEREOF, this Contract is executed on the date set forth above.

**CONTRACTOR**

\_\_\_\_\_  
AUTHORIZED SIGNATURE

\_\_\_\_\_  
PRINTED NAME AND TITLE

\_\_\_\_\_  
ADDRESS

\_\_\_\_\_  
DATE

**MARICOPA COUNTY**

BY: \_\_\_\_\_  
CHAIRMAN, BOARD OF SUPERVISORS

\_\_\_\_\_  
DATE

**ATTESTED:**

\_\_\_\_\_  
CLERK OF THE BOARD

\_\_\_\_\_  
DATE

**APPROVED AS TO FORM:**

\_\_\_\_\_  
DEPUTY MARICOPA COUNTY ATTORNEY

\_\_\_\_\_  
DATE

**EXHIBIT A**

SERIAL 05146, ~~BLANKET NUMBER B0604174~~

PRICING SHEET **NIGP 9615001**

BIDDER NAME:	<u>BUCK CONSULTANTS LLC</u>
VENDOR #:	<u>W000003694</u>
BIDDER ADDRESS:	<u>2929 NORTH CENTRAL AVENUE, SUITE 1250, PHOENIX, AZ. 85012</u>
P.O. ADDRESS:	<u>SAME</u>
BIDDER PHONE #:	<u>602-8643500</u>
BIDDER FAX #:	<u>602-864-3535</u>
COMPANY WEB SITE:	<u><a href="http://WWW.BUCKCONSULTANTS.COM">WWW.BUCKCONSULTANTS.COM</a></u>
COMPANY CONTACT (REP):	<u>MICHAEL SCHIONNING</u>
E-MAIL ADDRESS (REP):	<u><a href="mailto:MICHAEL.SCHIONNING@BUCHCONSULTNATS.COM">MICHAEL.SCHIONNING@BUCHCONSULTNATS.COM</a></u>

WILLING TO ACCEPT FUTURE SOLICITATIONS VIA EMAIL: YES

ACCEPT PROCUREMENT CARD: NO

OTHER GOV'T. AGENCIES MAY USE THIS CONTRACT: YES

PAYMENT TERMS:

NET 30 \_\_\_\_\_

<b>1.0 PRICING:</b>	<b><u>YEAR 1</u></b>	<b><u>YEAR 2</u></b>	<b><u>YEAR 3</u></b>
1.1 YEARLY RETAINER FOR ALL SERVICES PROPOSED	<b><u>\$135,000.00</u></b>	<b><u>\$135,000.00</u></b>	<b><u>\$135,000.00</u></b>
1.2 PRINCIPAL	<u>\$425-\$500</u>		
1.3 DIRECTOR	<u>\$325-\$450</u>		
1.4 SR. CONSULTANT	<u>\$225-\$350</u>		
1.5 CLERICAL/OTHER	<u>\$100-\$200</u>		

## EXHIBIT B

### EMPLOYEE BENEFITS CONSULTING SERVICES

1.0 **INTENT:**

- 1.1 To provide a broad range of consulting services, in the management of its welfare programs, defined contribution 457, defined-benefit State Retirement System plan, standard benefits consulting regarding plan design, funding, pricing/negotiations, administration and communications issues.

2.0 **SCOPE OF WORK:**

- 2.1 Contractor will be expected to provide proactive services in at least the following areas:
- ☐ All Benefit plan designs and complimentary benefit programs for active and retired employees
  - ☐ Benefit actuarial services/pricing, projections & reserving
  - ☐ Local, State, And Federal regulatory interpretation
  - ☐ Experience and utilization reviews
  - ☐ Vendor contracting and compliance
  - ☐ Insurance quotes, design, risk retention, and funding methods and vehicles
  - ☐ Budget development and oversight of the Benefit Trust funds
- 2.2 Attend monthly, semi monthly or weekly meetings with various vendors under County contract on County's behalf at the counties request.
- 2.3 Provide editorial and compliance review of county produced benefit communications.
- 2.4 Support the County over time in designing and identifying proactively the best plan and funding design for all of its benefits plans current and future.
- 2.5 Identify competitive plan features through benchmarking of local and regional employers among which the County competes for labor, based on counties request.
- 2.6 Provide actuarial cost projections for various plan feature changes and improvements.
- 2.7 Provide advice and interpretation on all local, state, and federal benefit regulations.
- 2.8 Provide advice to the Employee Health Initiatives Department to conduct strategic planning and help redesign plans to improve the business results and attract and retain key employee categories for a wide range of County customers.
- 2.9 Provide services to assist in management of vendor contract compliance throughout the year and through renewal periods.
- 2.10 Provide advice and consultation on trends and strategies to improve overall health of employee populations and manage cost efficiency and effectiveness.
- 2.11 Assist the Employee Health Initiatives Department in drafting RFPs including performance incentives.
- 2.12 Provide assistance in assessing and analyzing proposals from vendors and assessing market trends.
- 2.13 Provide assistance developing and analyzing employee satisfaction surveys for various plans as well as competitive benefits surveys of benchmarked companies.

- 2.14 Provide assistance identifying best practices with benefits plans, complimentary and discount programs and administration.
- 2.15 Operate as broker of record in those vendor contracts that require commission to be paid so that these fees may be used to offset consulting fees under this contract.
- 2.16 Obtain quotes on specific employee benefit insurance requirements when requested to by the County. Contractor shall pass all commissions on insurance products back to the County as an offset against fees.

Service Provided on a Project Fee Basis

- 2.17 Medical Claims Audits
- 2.18 Prescription Claims Audits
- 2.19 Compliance Audits
- 2.20 Administrative systems consulting
- 2.21 Plan Documents
- 2.22 Employee communications, including administration of employee surveys and focus groups
- 2.23 Retirement and Investment consulting
- 2.24 Value Index relative value studies
- 2.25 Organization studies and recommendations.
- 2.26 USAGE REPORT:  
  
The Contractor shall furnish the County a quarterly usage report delineating the acquisition activity governed by the Contract. The format of the report shall be approved by the County and shall disclose the quantity and dollar value of each contract item by individual unit.  
  
2.26.1 Provide annual report of tasks conducted and objectives met during past 12 month's performance.
- 2.27 TAX:  
  
No tax shall be levied against labor. It is the responsibility of the Contractor to determine any and all taxes and include the same in proposal price.
- 2.28 DELIVERY:  
  
It shall be the Contractor's responsibility to meet the proposed delivery requirements. Maricopa County reserves the right to obtain services on the open market in the event the Contractor fails to make delivery and any price differential will be charged against the Contractor.

**BUCK CONSULTANTS, LLC., 2929 N. CENTRAL SUITE 1250, PHOENIX, AZ 85012-2756**

PRICING SHEET: ~~BLANKET NUMBER B0604174~~ **NIGP 9615001**

Terms:	NET 30
Vendor Number:	W000003694 X
Telephone Number:	602/864-3540
Fax Number:	602/864-3535
Contact Person:	Michael Schionning
E-mail Address:	<a href="mailto:Michael.Schionning@buckconsultants.com">Michael.Schionning@buckconsultants.com</a>
Company Web Site:	<a href="http://www.buckconsultants.com">www.buckconsultants.com</a>
Certificates of Insurance	Required
Contract Period:	To cover the period ending <b>December 31, 2009.</b>